This week I would like to talk with you about an enquiry of historic importance in the life of Australian Services — a new service for farmers and success of the Prices Averaging Plan wool marketing scheme.

After considerable planning and work, I am pleased that the Cabinet and Parliament have approved my call for an enquiry which I consider to be of historic importance in the life of the Australian Armed Services.

The Government has decided to appoint a Committee of Enquiry to make a thorough study of the duties and responsibilities of officers and to recommend appropriate salary rates.

The Committee will also review the working of the pay system for sailors, soldiers and airmen where civilian industrial award rates are translated into rates of pay for skilled other ranks of the Forces.

An important feature of the Committee's work will be to examine the demands and exigencies of Service life as they affect all ranks and their families.

The five or six-man Committee will be headed by Mr. Justice Kerr, a judge of the Commonwealth Industrial Court since 1966, and a man who has had extensive experience in the fields of industrial relations and wage fixing. He is also a man who has played an active part in community affairs and who served with the 2nd AIF from 1942-1946.

I believe that Servicemen and women would prefer to have the major aspects of their pay and financial conditions of employment given thorough examination by a body detached from their employing organisations in the Government area...by men who are equipped to draw relevant comparisons with pay and conditions in the civilian community.

I hope that the principles and concepts developed by the Committee will provide lasting guidelines for the determination of Services pay and allowances in the future.

Briefly, some of the terms of reference for the Committee are:

To enquire and establish principles and concepts which should apply in determining the pay of officers and to recommend appropriate salary rates based on qualifications, training, levels of skill and responsibilities.
2.

To review the practical working of the system which applies to other ranks pay, and the implications of automatic application of civilian wage adjustments.

To examine the demands and exigencies of Service life as they affect all ranks, and if it is considered necessary the Committee will recommend revised financial assistance.

When making its recommendations the Committee will, of course, be fully aware of the national requirement to attract and retain men and women who have the needed qualities, skills and experience for the Armed Forces.

To assist the Committee of Enquiry, each of the three Services has been asked to appoint a special consultant to be available full time to provide technical and specialist information on Service matters.

The Government's objective is to develop further the defence force Australia requires and to attract and retain the men and women that force needs.

I believe the Committee of Enquiry will make its contribution to that objective in a situation of formidable competition from civilian employment.

The Commonwealth Government is to take new steps to provide information to farmers on market prospects.

To achieve this, the Government has decided to hold an annual agricultural outlook conference which will collect as much information as possible on market prospects.

The information collected will be given maximum possible publicity and circulation to farmers.

I must stress that the Government will not be telling primary producers what they should - or should not - produce as this is a matter for their own judgment.

However, because of the difficulties in the rural community, farmers and farmer organisations have been seeking more and more information so they can adjust their own production levels, or diversify, according to what they think will bring them the best income.

I should point out that a great deal of information is already provided by the Bureau of Agricultural Economics which publishes such journals as "Wheat Outlook" and "Wool Outlook" among others.

The planned agricultural outlook conference will be convened by the Bureau of Agricultural Economics and will include State Governments Representatives...extension officers...officers of the C.S.I.R.O. and members of agricultural organisations.
3.

Rural industry organisations...marketing bodies and Governments will present papers to the conference and general discussion and exchange of ideas will take place at the conference.

I expect that information from the conference will help the primary producer on how much and what, he should or should not produce. However, I repeat that the Government will not be telling primary producers what to do as this is a matter for the producers' own judgment.

Information I sought this week shows clearly that the operations of the Australian Wool Marketing Corporation are proving to be advantageous to the woolgrower.

Although the Price Averaging Plan marketing scheme conducted by the Corporation has only been operating since the commencement of the current wool selling season, it is evident it is successful.

By the operation of its flexible reserve prices, the Corporation has been able to prevent the sale of lots of P.A.P. wool at unreasonably low prices in relation to current market levels. This has undoubtedly been to the advantage of the woolgrower.

The Corporation has also been able to re-sell wool, passed on to it, at a higher price and in all cases has ensured a profit above the original bid prices.

So far the lot size has been increased from last season's average of 4.2 bales per lot to about six bales per lot this season and it is expected to further increase as the season progresses. The reduction in the number of small lots will reduce handling and selling costs, including buyers' costs of inspection.

Current P.A.P. offerings account for about 18% of all wool offered at auction and by the end of the current selling season this is expected to rise to about 25%. Ultimately, it is hoped that all small lots, representing about 40% of the clip, will be brought into the scheme.

I see the encouraging results of the Price Averaging Plan pointing up benefits which can flow on from the Government's proposed Australian Wool Commission.
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